

City of Tuscaloosa

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MEDIA NOTIFICATION
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Office of the Mayor
205-248-5001

The City of Tuscaloosa Receives Rating Upgrades from Moody's and S&P

Pointing to the City of Tuscaloosa's "well managed finances" and "strong conservative budgeting," Moody's Investors Service (Moody's) and Standard & Poor's (S&P) have both upgraded the City of Tuscaloosa's bond credit ratings. Moody's has upgraded the City's credit rating from Aa3 to Aa2; and S&P has issued an upgraded credit rating of AA+, up from AA.

These rating upgrades will have a significant impact upon the City's financial future by allowing the City to incur debt at a lower interest rate and with reduced issuance costs, thus saving hundreds of thousands of dollars over the term of any debt.

Councilman Lee Garrison, Finance Chairperson, was very proud of both credit rating upgrades. He stated, "I believe that with the various financial related city ordinances that this Mayor and City Council have passed during this term that protect the taxpayer's of this city, the rating agencies saw that not only does our city budget conservatively, but we also require minimum reserves to be in place for both our operating accounts and our reserve accounts. We plan to continue to reserve portions of our tax income and at the same time invest in worthwhile projects that improve our city and create stimulus for our local economy."

Mayor Maddox was extremely pleased with both announcements. "From our first day in office, we have been diligent in our efforts to be good stewards of the taxpayers' dollars. Our team worked extremely hard to demonstrate successful financial management practices, positive economic forecast and the commitment of our elected officials. In our core beliefs, we emphasize efficient and effective government; and receiving this ratings upgrade reflects this strongly held belief. We will continue to enact practices, policies and procedures that will allow us to invest in our future while maintaining a strong financial position. I commend Finance Director Mike Wright, Associate Finance Director Carol Muir, City Attorney Bob Ennis, Bond Counsel Bobby Plott, Bond Underwriter Louie

Cardinal, Council President Harrison Taylor, Council Finance Committee Chairperson Lee Garrison, Councilwoman Cynthia Almond, the entire City Council and staffs of the Finance and Revenue departments for their hard work in securing these unprecedented upgrades during tough national economic times. This proves to others nationwide what we have been saying all along: Tuscaloosa is an All-America City in excellent financial condition.” For additional information, go to www.moodys.com and www.standardandpoors.com.

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